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05 Signature

Mareby certify that this correspondence is being deposited with the U.S. Postal Service as Express Mail, Airbill No. , in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-

1450, on the date shown below.

(Sandy Rejerte

Docket No.: 335828001US1

Confirmation No.: 8692

Examiner: D. Lastra

(PATENT)

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent Application of:

William D. Quigg

Application No.: 09/849,504

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Filed: May 4, 2001 Art Unit: 3622

For: SYSTEM AND METHOD FOR
COORDINATING PRODUCTION AND

DISTRIBUTION OF PAPER PRODUCTS PACKAGED WITH PROMOTIONAL

**MATERIALS** 

## **DECLARATION OF COMMERCIAL SUCCESS**

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

- I, William Donovan Quigg, hereby declare as follows:
- 1. I am the sole inventor of the above-identified patent application ("the Patent Application"), and the Chief Executive Officer of Grays Harbor Paper L.P. ("GHP"), the assignee of the Patent Application. I am familiar with the present invention described in the Patent Application and have reviewed and understand the Patent Application including the pending claims. I am also familiar with the products of GHP.
- 2. I understand that this Declaration is being used to support the patentability of the invention claimed in the Patent Application.

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3. Attached hereto as Exhibit A is an example of a ream wrap including an advertisement for an American Express® Card in accordance with one embodiment of the invention. This particular wrap has been used on reams of paper sold by Costco Wholesale Corporation ("Costco"). In this specific embodiment of the invention, the wrap corresponds to the "wrapper" of claim 52, the advertisement corresponds to the "promotional material" of claim 52, and the sheets of paper enclosed by the wrap correspond to "the plurality of unbound, stacked paper sheets" of claim 52. In other claims, the wrap, advertisement, and/or sheets of paper may correspond to other claim features.

- 4. Attached hereto as Exhibit B is a spreadsheet listing the number of cartons of paper sold and shipped each week by GHP to selected Costco Warehouses (identified by location numbers) between October 31, 2004 and September 25, 2005. Between October 31, 2004 and July 3, 2005, the shipped cartons did not include the claimed invention, and the average number of cartons shipped each week was 1,933. Between July 17, 2005 and September 25, 2005, the shipped cartons included the ream wrap illustrated in Exhibit A and/or other ream wraps that correspond to the claimed invention. During this period, the average number of cartons shipped each week was 3,251, which represents a 68% increase in the average number of cartons sold and shipped each week. I believe the 68% increase in sales would have been greater, but for the limit Costco has temporary placed on the number of cartons of paper (corresponding to the claimed invention) that each customer can purchase.
- 5. The increased sales of cartons to Costco is a direct result of the invention. Specifically, GHP collects remuneration from third-party advertisers who place advertisements on the ream wraps in accordance with an embodiment of the invention. Due to the remuneration from advertisers, GHP can reduce the price charged to Costco, which, in turn, can reduce the price charged to consumers. Costco's reduced price increases the volume of paper sold to consumers and, consequently, the volume of paper

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purchased from GHP. Accordingly, the increased sales to Costco is a direct result of the invention.

- 6. The increased sales of cartons to Costco is not a result of other events extraneous to the merits of the claimed invention. For example, GHP has not increased promotion of its paper products to Costco. Nor is Costco obligated to purchase cartons of paper from GHP.
- 7. Exhibits C-E are redacted Confidential Information Agreements ("the Agreements") signed by three different companies in conjunction with GHP's disclosure of the invention described in the Patent Application to the companies. The Agreements illustrate the interest of multiple companies in discussing, negotiating, and potentially consummating a business arrangement in which each company purchases paper products from GHP that include the claimed invention.
- 8. To the best of my knowledge the following describes an arrangement between Georgia-Pacific Corporation ("GP") and Xerox Corporation ("Xerox"). GP pays Xerox a fee to place the Xerox name and trademark on several lines of paper manufactured by GP. GP sells this paper directly to Costco such that Xerox never owns this paper even though the paper is labeled with the name Xerox.
- 9. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. 1001, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

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